

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 583.

FILED MAY 18th. 1961.

APR 25 1960

AUTO FABRIC PRODUCTS COMPANY LIMITED

Full corporate name of Company

Incorporated under the laws of Canada by Letters Patent dated August 22, 1928.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953

(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	<p>49,068 Class "B" shares of the Company</p> <p>have been acquired by Canflor Holdings Ltd. for cash-\$159,471.00.</p> <p>The company exchanged its real property situated at 1598 Clark Street, Montreal, in return for an undivided 46% interest in immovable properties having a total value of \$434,000.00 situated in the County of Pasco, State of Florida, belonging to Canflor Holdings Limited.</p> <p>A new Board of Directors has been elected (See attached Schedule "A" on Page 2).</p>
2. Head office address and any other office address.	2274 Moreau Street, Montreal, Quebec,
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	SEE ATTACHED SCHEDULE 'A' on page 2.
4. Share capitalization showing authorized and issued and outstanding capital.	50,000 Class "A" shares and 200,000 Class "B" shares, all without nominal or par value, of which 25,000 Class "A" shares and 100,000 Class "B" shares are issued and outstanding.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	N O N E
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	N O N E
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	<p>NO OPTIONS OR ASSIGNMENTS ARE CONTEMPLATED AT THIS TIME.</p> <p>JUL 25 1961</p>
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	NO PAYMENTS TO BE MADE
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Board of Directors of the Company intends not only to carry on the business of the Company as previously conducted but also to expand its operations by acquiring and/or manufacturing more diversified lines.

Schedule 'A'DIRECTORS

<u>NAME</u>	<u>ADDRESS</u>	<u>OCCUPATION</u>
Robert G. Bennett	1117 St. Catherine St. Montreal, Quebec.	Executive, Auto Fabric Products Company Limited, formerly Montreal Manager of J.B. Fraser Executive Placement Consultants Ltd., Montreal and prior to 1959 Mr. Bennett was employed by a Toronto Advertising Firm as a Marketing Research Analyst and Account Executive.
Robert Y. McGregor	1373 Greene Avenue, Westmount, Quebec.	President, Robban Travel Co. Ltd.
Graham Gould, Q.C.	507 Place d'Armes, Montreal, Quebec.	Barrister and Solicitor.
E. Gerald Allman	R.R. No. 1, Claremont, Ontario.	Gentleman farmer; formerly a trader on the Toronto Stock Exchange.
Lawrence F. Walker	16 West Street, Chatham, Ontario.	President, Walker Automotive and Machine.

Schedule 'B'CLASS "A"

<u>NAME</u>	<u>ADDRESS</u>	<u>SHAREHOLDINGS</u>
E. Gerald Allman (Beneficial Owner)	R.R. No. 1, Claremont, Ontario.	5,600
Messrs. E.H. Pooler & Co. Limited (50% beneficially owned by Gerald Allman)	302 Bay Street, Toronto, Ontario.	3,185
Harry Brown (Beneficial owner)	4 Elderwood Drive, Toronto, Ontario.	2,600
Messrs. Robertson Malone & Co. Ltd. (Beneficial owner, Harry Brown)	20 Wellington Street West, Toronto, Ontario.	2,300
Industrial Life Insurance Co. (Beneficial owner unknown)	Head Office, Quebec City, Quebec.	950

CLASS "B"

Gore Co., (Beneficial owner - Canflor Holdings Ltd.)	c/o Canadian Bank of Commerce, P. O. Box 6003, Montreal, Quebec.	49,068
E. Gerald Allman (Beneficial Owner)	R.R. No. 1, Claremont, Ontario.	5,000
Lawrence Frank Walker (Beneficial Owner)	16 West Street, Chatham, Ontario.	5,000
Messrs. E.H. Pooler & Co. Limited (25% beneficially owned by Gerald Allman)	302 Bay Street, Toronto, Ontario.	4,425
Messrs. Jack Purcell & Company (Beneficial owner, Gerald Allman)	186 Bay Street, Toronto, Ontario.	2,325

FINANCIAL STATEMENTS

AUTO FABRIC PRODUCTS COMPANY, LIMITED

BALANCE SHEET

AS AT

31ST DECEMBER 1960

ASSETS

Current:

Cash on Hand and in Bank
Accounts Receivable
Less: Allowance for Doubtful Accounts

Inventories of Raw Materials, Goods in Process
and Finished Goods as determined and certified
by the management and valued at the lower of
cost or market price.

Cash Surrender Value of Life Insurance Policies:

Investment in Subsidiary Company at Cost:

Preferred and Common Shares

Prepaid Expenses:

Rent
Less: Deferred Discount on Rent

Other

Leasehold Improvements at Cost
Less: Accumulated Amortization

Fixed Assets and Accumulated Depreciation:

Land
Building
Plant and Machinery
Office Furniture and Fixtures
Automobiles

LIABILITIES

Current:

Accounts Payable and Accrued Liabilities
Dividend Payable 3rd January, 1961
Sales Tax Payable
Income Taxes Payable

Capital and Surplus:

Authorized:

50,000 Cumulative Preferential 60 Cent Dividend Participating
Class "A" Shares without nominal or par value.

200,000 Class "B" Shares without nominal or par value.

Issued and Fully Paid:

25,000 Class "A" Shares) Capital Value of Original Shares 25,000.00
100,000 Class "B" Shares)

Note: Dividends on Class "A" Shares are in arrears since
1st January, 1956

Earned Surplus:

As per Statement Attached

\$ 112,818.21
3,750.00
5,212.28
2,035.75
\$ 123,816.24

\$ 55,837.32
\$ 90,240.56
1,915.76
60,324.80

222,001.00 \$ 366,163.12

19,560.00

60,000.00

75,000.00
15,000.00

5,124.37 65,494.37
11,809.76
2,361.96

Asset
At Cost
Accumulated
Depreciation

\$ 14,660.07
204,714.92
182,965.84
10,133.27
\$ 154.45

\$ 127,298.48
94,163.91
4,073.80
2,312.76
\$ 227,849.95

112,775.63
\$ 624,444.92

475,628.68
500,628.68

\$ 624,444.92

21st February, 1961, Montreal, Que.
Certified as per our Report of this date.

Approved on behalf of the Board of Directors.

Robert G. Bennett Director.

W. J. G. G. G. Director.

Joydu and Longdon
Chartered Accountants
Auditors.

AUTO FABRIC PRODUCTS COMPANY, LIMITED

PROFIT AND LOSS STATEMENT

YEAR ENDED 31ST DECEMBER 1960

Gross Trading Profit \$ 152,043.90

Selling Expenses:

Advertising and Sales Promotion	\$ 14,441.13	
Automobile Expense	538.67	
Automobile Insurance	435.31	
Travelling Expenses	2,757.36	
Salaries - Salesmen	22,165.00	
Commissions - Salesmen	17,855.54	
Salaries - Sales Office	14,260.92	
General Selling Expenses	1,060.52	
Depreciation on Automobiles	2,503.59	\$ 76,018.04

General and Administrative Expenses:

Salaries and Directors' Fees paid to Executive Officers	21,733.26		
Other Directors' Fees	50.00		
Office Salaries	21,823.08		
Bank Charges and Interest	2,103.93		
Donations	52.00		
Postage	6,930.98		
Stationery and Office Supplies	2,390.52		
Repairs and Maintenance - Office Equipment	748.21		
Telegrams and Telephone	3,165.45		
Insurance - General	2,228.79		
Insurance - Life	293.70		
Audit and Legal	3,039.39		
Taxes	561.82		
Group Insurance	842.22		
Depreciation on Office Equipment	1,514.87		
General Expense	3,283.90		
Provision for Bad Debts	\$ 2,518.32		
Less: Bad Debts Recovered	1,808.10	710.22	71,472.34
			147,490.38
			4,553.52

Clark Street Property - Rental Income 20,235.00

Less:	- Depreciation	7,197.14	
	- Expenses	7,863.72	15,060.93
			5,174.07
			9,727.59

Taxes on Income 2,429.15

Net Profit for the Year: \$ 7,298.44

AUTO FABRIC PRODUCTS COMPANY, LIMITED

STATEMENT OF INCOME AND EXPENDITURE

YEAR ENDED 31ST DECEMBER 1960

(COMPARATIVE FIGURES FOR THE YEAR 1959)

	1960	1959
Income from operations before the undernoted items	\$ 187,499.41	\$ 245,715.16
Shipping, Selling, General and Administrative Expenses	182,945.89	199,841.45
	4,553.52	45,873.71
Clark Street Property Net Income (Net Expense)	5,174.07	(15,130.55)
	9,727.59	30,743.16
Taxes on Income	2,429.15	8,112.69
Net Income for the year transferred to Statement of Earned Surplus	\$ 7,298.44	\$ 22,630.47

The following items have been deducted in arriving at net income for the year:

Salaries and Directors' Fees paid to Executive Officers	\$ 21,733.26	\$ 25,500.00
Other Directors' Fees	50.00	650.00
Legal Fees	285.50	1,978.50
Depreciation	13,416.08	13,591.17
Amortization of Leasehold Improvements	1,180.98	1,180.98

AUTO FABRIC PRODUCTS COMPANY, LIMITED
STATEMENT OF CHANGES IN WORKING CAPITAL
YEAR ENDED 31ST DECEMBER 1960

	<u>Balance Sheet</u> <u>31st December</u>		<u>Working Capital</u>	
	<u>1959</u>	<u>1960</u>	<u>Increase</u>	<u>Decrease</u>
<u>Current Assets:</u>				
Cash on Hand and In Bank	\$ 35,328.94	\$ 55,837.32	\$ 20,508.38	
Accounts Receivable	100,643.66	88,324.80		\$ 12,318.86
Inventories	189,603.00	222,001.00	32,398.00	
	<u>325,575.60</u>	<u>366,163.12</u>		
<u>Current Liabilities:</u>				
Accounts Payable and Accrued Liabilities	93,886.45	112,818.21		18,931.76
Dividend Payable	7,500.00	3,750.00	3,750.00	
Income and Sales Taxes Payable	15,459.58	7,248.03	8,211.55	
	<u>116,846.03</u>	<u>123,816.24</u>		
Working Capital	<u>\$ 208,729.57</u>	<u>\$ 242,346.88</u>		
Increase in Working Capital				<u>33,617.31</u>
			<u>\$ 64,867.93</u>	<u>\$ 64,867.93</u>

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Source:

Net Profit for the year	\$ 7,298.44	
Add: Charges not requiring funds - Depreciation	13,416.08	
- Amortization of Leasehold Improvements	<u>1,180.98</u>	\$ 21,895.50
Sale of Fixed Assets		1,850.00
Decrease in Prepaid Expenses		<u>21,770.95</u>
		<u>\$ 45,516.45</u>

Applied To:

Dividend on Class "A" Shares	\$ 3,750.00
Purchase of Fixed Assets	7,258.14
Increase in Cash Surrender Value of Life Insurance	891.00
Increase in Working Capital	<u>33,617.31</u>
	<u>\$ 45,516.45</u>

Hyde and Houghton
Chartered Accountants

*Wm. F. Hyde, C.A.
Victor Houghton, C.A.
D. E. Howley, C.A.
W. G. Low, C.A.*

233 Notre Dame Street, West

Montreal 1

21st February, 1961.

The Shareholders,
Auto Fabric Products Company, Limited.

We have examined the Balance Sheet of Auto Fabric Products Company, Limited as at 31st December 1960 and the Statements of Income and Expenditure and Surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In accordance with the provisions of Section 118 of the Companies Act, we report that the loss of the wholly-owned subsidiary Company for its year ended 30th April, 1960, in the amount of \$1,418.34, has not been provided for in the attached accounts.

In our opinion, the Balance Sheet and Statements of Income and Expenditure and Surplus are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st December 1960 and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Hyde and Houghton
Chartered Accountants
Auditors.

C E R T I F I C A T E

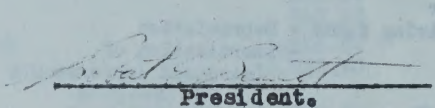
TO: THE TORONTO STOCK EXCHANGE

We, ROBERT G. BENNETT and ROBERT Y. MCGREGOR,
the President and Vice-President, respectively of Auto
Fabric Products Company Limited (hereinafter referred to
as the "Company") hereby certify as follows:

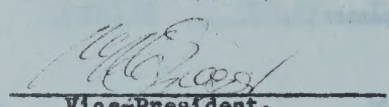
1. There has been no material adverse change
in the financial position of the Company from that shown
in the consolidated balance sheet of the Company prepared
as at December 31st, 1960;

2. The source of funds received by the Company
and its subsidiaries since December 31st, 1960 and the
application of such funds has been in accordance with
the normal business operations carried on by the Company
and its subsidiaries.

IN WITNESS WHEREOF we have hereunto set our
hands and seals this 28 day of March, 1961.



President.



Vice-President.

619 Elizabeth Street
Largo, Florida
December 14th, 1959

Mr. Nelson O. Burt, President
Keyes Industrial Corporation
234 Biscayne Boulevard
Miami, Florida

Gentlemen:

In pursuit to your request, I have made an appraisal
of property located in Pasco County, Florida, south of
New Port Richey and north of Tarpon Springs.

This appraisal has as its purpose the estimation of the
ECONOMIC VALUE for sales purposes after development as
of December 14th, 1959. Property rights appraised in
this report are fee simple title ownership assuming no
indebtedness against the property.

The property under appraisal consists of 80 acres of
Gulf of Mexico frontage and approximately 50 acres of
submerged land projecting into the Gulf of Mexico, pre-
sently being processed and bulkhead lines applications
being submitted; and is legally described on page 4 of
this report.

As a result of my investigation and analysis fully de-
scribed in this report which consists of 19 pages and 4
exhibits, I am of the opinion that the ECONOMIC VALUE
of the subject property as of December 14th, 1959 was:

FOUR HUNDRED THIRTY-FOUR THOUSAND DOLLARS (\$434,000)

including the submerged land potential.

Yours very truly,



Gilbert M. Weede

GMW/saw

Gilbert M. Weeds

Order 4-9501

Room 907
Florida National Bank Building
Orlando, Florida

October 1, 1960

Mr. Hunter Wilson
c/o Wilson & Wilson
Montreal, Quebec

Dear Mr. Wilson:

Mr. Charles Scarr has requested that I forward you my letter of authorization, which I do so herein, to make full use of the Appraisal Report which I completed in December 1959 for Mr. Nelson O. Burt, President, Keyes Industrial Corporation, Miami, Florida.

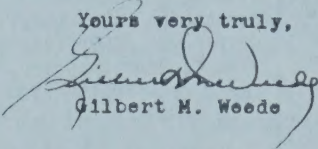
The legal description of the property covered by the Appraisal Report is as follows:

All of Government Lot 3, same known as Tracts 49-59 inclusive, and 57-60 inclusive, all in accordance with plat of Tampa and Tarpon Springs Land Company, recorded in Plat Book 1, Page 68, plus all submerged land acquired, all Gulf of Mexico frontage; and all being in Pasco County, Florida.

I might add that since this appraisal was completed, the above mentioned tract of land has increased in value due to the activity surrounding it, such as the Caledesi Fill in Dunedin and the Flor-a-mar development in New Port Richey.

I trust that this letter of authorization will meet your requirements and please be assured that if additional information is desired, advise without delay.

Yours very truly,


Gilbert M. Weeds

GMW/vp

Note - The following is an excerpt from a report by Westmount Realities Company, Montreal, dated February 24th, 1958, on the property of Auto-Fabric Products Company, Limited, located at 1598 Clarke St. Montreal. A complete copy of the report is on file with the Toronto Stock Exchange.

FINAL VALUATION

Giving consideration to factors affecting value contained herein, I am of the opinion that the fair current market value of the subject property is represented in the following amount:-

- ONE HUNDRED AND SEVENTY THOUSAND DOLLARS -

(\$170,000.00)

* * *

The titles have not been examined, and it is assumed that there are no servitudes on the property which might affect its value.

I hereby certify that I have no present or contemplated interest in the property appraised and that, to the best of my knowledge and belief, the statements and opinions contained in this appraisal are correct, subject to the limiting conditions herein set forth. Also, that this appraisal has been made in conformity with the Rules and Professional Ethics of the Appraisal Institute of Canada.

Should you require any further information, I shall be pleased to consult with you at any time.

Yours very truly,

WESTMOUNT REALTIES COMPANY

Appraiser

Dictated by
E. A. Gould

cc: Mr. R. Skulski.

10. Brief statement of company's chief development work during past year.	N O N E
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Canflor Holdings Ltd. acquired the Company's real property situated on Clark Street, Montreal, Quebec, in exchange for an undivided 46% interest in an immoveable property in Florida, U.S.A. having a total value of \$474,000.00.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Canflor Holdings Ltd., Suite 2200, 507 Place d'Armes, Montreal, Quebec. Alma C. Nicklin Scarr, 15907 Gulf Blvd, St. Petersburg, 8, Florida, U.S.A.
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	No shares are held in escrow
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	N O N E
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	SEE ATTACHED SCHEDULE 'B' on page 2.
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Canflor Holdings Ltd. 49,068 Class "B" shares. Suite 2200, 507 Place d'Armes, Montreal, Quebec. Alma C. Nicklin Scarr, 15907 Gulf Blvd, St. Petersburg 8, Florida, U.S.A., has a greater than 5% interest in Canflor Holdings Ltd.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Investment in subsidiary Company - WARESCOTT PRODUCTS LIMITED - at cost \$60,000.00 - Market value \$36,000.00.
18. Brief statement of any lawsuits pending or in process against company or its properties.	No lawsuits are pending or in process against the Company or its properties
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	NONE
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	Special By-law "A" authorizing application for Supplementary Letters Patent amending provisions of letters patent and increasing its capital. Special By-Law "B" authorizing payment of a stock dividend on Class "A" shares. Special By-Law "C" to change name of Company to AUTOFAB LTD. Compromise or Arrangement proposed under Section 186 of The Companies Act of Canada between the Company and its Class "A" and "B" Shareholders. Special By-Laws A, B and C and Compromise or Arrangement enacted by the Directors on Feb. 1/61 were confirmed by the Shareholders at Special General Meetings held on April 28/61 and sanctioned by Judgment of the Honourable Mr. Justice Frederick T. Collins on May 16th, 1961.

DATED May 16th, 1961.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"R.G. Bennett"

"R.Y. McGregor"

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)